

FISCAL NOTE

SB 2678 - HB 2827

February 23, 2008

SUMMARY OF BILL: Requires health insurance companies to provide coverage for a grandchild of an insured individual if certain requirements are met.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Not Significant

Potential Impact on Health Insurance Premiums (required by Tenn. Code Ann. § 3-2-111): Such legislation would result in an increase in the cost of family health insurance premiums for plans that do not currently offer coverage to grandchildren of insured individuals. Such is estimated to exceed \$100,000.

Assumptions:

- The Department of Commerce and Insurance will revise procedures to review individual and group health insurance forms, policies, certificates and contracts for compliance. Any cost can be accommodated within existing resources without an increased appropriation or reduced reversion.
- The legislation does not apply to the State, Local Education, and Local Government Plans, the Cover Tennessee plans, or the TennCare program.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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